THE TEXAS TRIBUNE

Growth Prospects for Uranium Stir Concerns

By KATE GALBRAITH Published: April 14, 2012

HOBSON — At the back of a South Texas uranium processing facility, a few dozen black container drums stood outside, waiting to be shipped. Each was filled with about \$50,000 worth of yellowcake, a powdery substance created from raw uranium.

"That's pretty close to a Lexus in

every drum," said Gregory Kroll, the

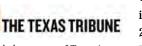
superintendent of the site, which is



This uranium processing plant in Hobson hopes to increase the 200,000 to 250,000 pounds of

run by the Uranium Energy Corporation, based in Corpus Christi. The company mines the uranium in Duval County and brings it here for processing, before sending it on to a Axel Gerdau for The Texas Tribune plant in Illinois, where it is further refined. yellowcake it produces each year.

FACEBOOK TWITTER GOOGLE+ E-MAIL + SHARE 品 PRINT SINGLE PAGE REPRINTS



Expanded coverage of Texas is produced by The Texas Tribune, a nonprofit news organization. To join the conversation about this article, go to texastribune.org.

Connect With Us on Twitter Follow

@NYTNational for breaking news and headlines.

Twitter List: Reporters and Editors

Enlarge This Image

Company officials hope that the Hobson plant will increase its yellowcake production, now at 200,000 to 250,000 pounds per year, far below the plant's capacity. Uranium has been mined in Texas for decades, but companies see a potential hike in demand for their product. They are ramping up for a new push, despite concerns from environmental groups that past operations have not been sufficiently cleaned up and pose a threat to aquifers that people drink from.

Last year, the Texas Railroad Commission granted five new permits for uranium exploration in Texas, more than in any year since 2007. Two more exploration permits are being processed, one in Bee County and the other in Goliad County and both sought by Uranium Energy.

Uranium companies' enthusiasm may seem surprising, given the shock waves caused by last year's nuclear disaster in Japan. Even Texas' two nuclear plants felt the jolt: both had been planning expansions, but that talk has subsided.



Save Big on Electricity

Lower Your Electricity Bill Today. Compare Rates & Save. Learn How.

www.ElectricityTexas.com

TXU Energy Free Nights

Free Energy Charges From 10pm - 6am Save On Energy Bill. Switch Today! www.txu.com/FreeNights

Top Uranium Stocks to Buy

Global Fundamentals of the Uranium Market are Exceptionally Strong

MobileInvestor.com/Uranium-Stocks

Indian Point Energy

Avoiding Millions of Tons of CO2 Yearly. See Why We're Right For NY

www.SafeSecureVital.org

Radiation Safety Degree

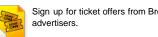
Prepare for a career at a nuclear power plant w/ a degree from WKCTC

www.westkentucky.kctcs.edu

Advertise on NYTimes.com

AUTOS

TicketWatch: Theater Offers by E-Mail



Sign up for ticket offers from Broadway shows and other

Sign Up

See Sample | Privacy Policy

MOST F-MAILED

RECOMMENDED FOR YOU

1. NEWS ANALYSIS U.S. Bets New Oil Sanctions Will Change Iran's Tune

2. OP-ED CONTRIBUTOR Living With Nuclear Outliers



Axel Gerdau for The Texas Tribune Yellowcake, made from raw uranium.

But companies like Uranium Energy are anticipating increased long-term demand for nuclear power from places like China and Saudi Arabia. Also, a big source of supply for American power plants is set to end next year, with the expiration of a program in which uranium from old Russian warheads is diluted and sent to power plants in the United States.

Dale Klein, the associate director of the Energy Institute at the University of Texas at Austin and former chairman of the Nuclear Regulatory Commission, said the Russian warhead program could be renewed. Nonetheless, he said, "I think the demand for uranium will continue to increase."

Texas, Mr. Klein added, is a "key player, but they're not a big player" in global uranium production, which is led by Kazakhstan, Canada and Australia.

Only eight uranium mines were operating in the United States as of 2010, according to the Energy Information Administration. These include two in Texas — one in in Brooks and one in Duval Counties. Six uranium production facilities operate around the country, including two in Texas, two in Wyoming and one each in Nebraska and Utah.

South Texas has long been a hub for uranium mining. The metal, derived from ancient volcanoes, is found in a soluble form in aquifers. Often it lies near oil and gas deposits, a result of the way both substances have traveled through fissures in the ground. (Indeed, some of the mining and processing facilities lie in the booming Eagle Ford Shale.)

Today all mining in Texas is done through a process called in-situ leaching, in which oxygenated water is sent into the aquifers to dissolve the uranium. The fluid that comes back up runs through resin pellets that clamp onto the uranium. The resin, which is reusable, is transported to facilities like Hobson, which remove the uranium and turn it into yellowcake.

In past decades, open-pit mining was the norm, but that stopped in Texas in 1992, according to Kevin Raabe, an official with Rio Grande Resources. The old open-pit mines are supposed to be "reclaimed," or filled with materials like clean soil that cover the uranium. Mr. Raabe's company manages an old open-pit site in Hobson where Chevron began mining uranium in the 1970s. Cows graze over where the pit used to be.

Some residents seem unperturbed by the old mine sites around South Texas.

"We have a reclaimed uranium pit on our property," said Jane Mutz, a Falls City resident with land near Fashing. "We eat the fish out of the tank," she added, referring to a large watering hole.

But Richard Lowerre, an Austin lawyer with Lowerre, Frederick, Perales, Allmon & Rockwell, has been fighting uranium companies for decades and said that many former open-pit mining areas remain unsafe for human habitation.

As for the modern in-situ mines, the companies are supposed to restore the quality of the aquifer to its condition before the mining began, <u>according to the Texas Commission on Environmental Quality</u>, which issues mining licenses and regulates the operations, by designation of the Nuclear Regulatory Commission. (The Railroad Commission's permits



- 3. U.S. Urged to Confront Iran on Nuclear Work
- 4. Iranian Says Nuclear Talks Have Reached 'Critical Point'
- 5. U.S. Imposes New Rules to Tighten Vise on Iran
- 6. U.S. Charges Men in Plot to Violate Iran Embargo
- 7. EDITORIAL Sanctions Against Iran
- 8. No One Budges in Tense Iran Nuclear Talks in Moscow
- 9. Iran's President Says New Sanctions Are Toughest Yet



10. NICHOLAS D. KRISTOF Not-So-Crazy in Tehran

Log in to discover more articles based on what you've read.



Log In R

Register Now

f Log In

What's This? | Don't Show



The other mothers of Manhattan

Also on NYTimes.com

- Am I a cancer survivor?
- Are modern men manly enough?

nytimes.com

ADVERTISEMENTS



It's Just the Ticket for Everything Theater

cover exploratory wells only.)

Mr. Lowerre and other critics say that companies never do a full cleanup of aquifers.

A 2009 report by the United States Geological Survey found that most Texas uranium well fields contained a higher concentration of uranium after mining was completed than before.

1 2 NEXT PAGE »

The New York Times HOME DELIVERY

FREE DIGITAL ACCESS

Uranium Stocks 2012

www.InvestmentU.com/Uranium

Three Easy Ways to Profit from

Investing in Uranium Stocks.

kgalbraith@texastribune.org

This article has been revised to reflect the following correction:

Correction: April 22, 2012

An article last Sunday about uranium mining in Texas misstated the number of uranium mining facilities in the United States. There are six uranium production facilities in the country, not six uranium mines. The article also misstated the location of one of the facilities. It is in Utah, not New Mexico.

A version of this article appeared in print on April 15, 2012, on page A23A of the National edition with the headline: Growth Prospects For Uranium Stir Concerns.

















Get 50% Off The New York Times & Free All Digital Access.

Get Free E-mail Alerts on These Topics

Uranium

Mines and Mining

Environment

Texas

<u>Uranium Prices to Explode</u>

Free report detailing why Uranium

is worth it and how to play it.

MoneyMorning.com/uranium_prices

INSIDE NYTIMES.COM





Pakoras Give Buttered Ears a Rest

OPINION »



Invitation to a Dialogue: An **Excess of Testing**

WORLD »



In Denmark, Pedaling to Work on a Superhighway

U.S. »



A Fresh Look at What School Menus Can Be

OPINION »

Op-Ed: Fixing the Global Economy

The United States and China must strengthen cooperation with each other in trade, finance, technology and other fields.

TELEVISION »



∢ ▶

Toe-to-Toe at the Edge of the Comedy Club Stage

Home | World | U.S. | N.Y. / Region | Business | Technology | Science | Health | Sports | Opinion | Arts | Style | Travel | Jobs | Real Estate | Autos | Site Map

© 2012 The New York Times Company | Privacy | Your Ad Choices | Terms of Service | Terms of Sale | Corrections | RSS | Help | Contact Us | Work With Us | Advertise